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Tentative EDIC Programs: Fall, 1955

(Please file in
EDIC chron if
not already there)

I. General

One of the main problems EDIC will face in the fourth quarter of 1955 is the reorientation of its relations with the EDAC structure and the Dodge Council respectively, and the consequent re-evaluation of its functions and procedures. In any event, such a reorientation will probably be forced on EDIC by outside developments.

The clearing-house functions of EDIC can be materially increased in scope and utility. For example, project requests (as distinguished from spot requests) for economic defense intelligence levied on State/OIR by State/ICA/EDAC should be reported to EDIC. Studies should be reviewed in EDIC, even though they were produced by a single EDIC agency, if they are to go as high as the EDAC Executive Committee or the Dodge Council Drafting Group.

II. Topics for Consideration

The review of the China lists and criteria has been omitted intentionally. It seems likely to be conducted largely outside EDIC channels, for reasons of urgency and because of the precedent established during the COCOM list reviews.

A. "Bloc Trade Trends and Tactics"

This title for the following (and related) topics has been chosen because it connects them with an existing EDAC-COCOM program.

1. Effect and operation of free-world security trade controls - loopholes, through bills of lading, free ports and free-trade zones, etc.
2. Bloc procurement patterns, trends, techniques and facilities - e.g., the geographic shifts and qualitative (commodity) changes in East-West trade, including strategic and unrecorded trade, which resulted from the 1954 COCOM list revisions and the "tightening" of enforcement measures.

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3. External financial operations and arrangements of the Sino-Soviet Bloc - data on this subject should be examined for indications of

- (a) the pattern of financing strategic trade, including the individuals and institutions involved;
- (b) bloc resources and uses of foreign exchange and gold;
- (c) particular strategic transactions.

4. Bloc economic penetration or domination of non-COCOM areas - all EDIC agencies, specifically including State (because of its desk officers) should be asked to report to EDIC on any significant new developments or new instances of such penetration or domination.

5. Commodity pattern of key bloc imports and exports - (a) with CIA participation, the trade agreement unit in OIR/DRS should be asked to examine its materials for evidence of the probable commodity composition of bloc exports and imports under East-West trade agreements, and to check its results by comparison with subsequent reports of actual trade. (b) ONI with CIA participation should be asked to collate and analyze its cargo data so as to obtain at least sizable samples showing the composition of cargoes moving to bloc (especially Chinese) destinations.

B. Commodity Intelligence

Use of EDIC as the inter-agency coordinator of "normal" commodity intelligence productions. Continuing surveillance and analysis of technological developments and their effects on specific bloc economic capabilities and vulnerabilities. (Better liaison with OSI and other scientific and technical organizations will be required.)

C. Plans and Programs

1. Collection - In consultation with the EIC Subcommittee on Requirements and Facilities for Collation, EDIC should initiate and coordinate the preparation of an overall guide for the collection of economic defense intelligence, with indications of priorities.

2. Research

- (a) Research programming (what happened to the Wright Committee?)
- (b) Follow-up - i.e., initiation, coordination and review of specific projects in accordance with the coordinated research program.

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3. Planning for economic warfare

Ref: the [REDACTED] reports.

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